

City of Springfield
Work Session Meeting

MINUTES OF THE WORK SESSION MEETING OF
THE SPRINGFIELD CITY COUNCIL HELD
MONDAY, OCTOBER 17, 2005

The City of Springfield Council met in a work session in the Jesse Maine Room, 225 Fifth Street, Springfield, Oregon, on Monday, October 17, 2005 at 6:00 p.m., with Mayor Leiken presiding.

ATTENDANCE

Present were Mayor Leiken and Councilors Ballew, Fitch, Ralston, Lundberg, Woodrow and Pishioneri. Also present were City Manager Mike Kelly, Assistant City Manager Cynthia Pappas, City Attorney Joe Leahy, City Recorder Amy Sowa and members of the staff.

1. Budget Committee Interviews.

Accounting Manager Valerie Warner presented the staff report on this item. The Budget Committee has a vacancy in Ward 3 due to the December 31, 2005 term expiration of Maureen Sicotte. Ms. Sicotte has served only one term and is eligible to reapply. The person appointed will serve a three year term which will expire on December 31, 2008.

The Budget Committee has a vacancy in Ward 4 due to the December 31, 2005 term expiration of Dwight Dzierzek. Mr. Dzierzek has served two terms and is not eligible to reapply. The person appointed will serve a three year term which will expire on December 31, 2008.

Council determined that since no one was running against Maureen Sicotte, there was no need to interview her. Council consensus was to re-appoint Maureen Sicotte to the Budget Committee for Ward 3. Council interviewed the following candidate for the Budget Committee, Ward 4:

- Ellen L. Manzer

The Mayor and council discussed the qualifications of the candidate. Council consensus was to appoint Ellen L. Manzer to the Budget Committee, Ward 4 with the provision that someone from the Finance staff spend some time with her regarding city government and the different departments. The appointment would be ratified on November 7, 2005 during the Council Regular Meeting.

2. Justice Center: Review of Construction Manager/General Contractor (CM/GC) Construction Contract Strategy.

Project Manager Carole Knapel presented the staff report on this item. On April 18, 2005, staff presented a report on an alternative contracting strategy which may be used for this project. Based on direction received in April, staff is taking a series of steps to enable the city to evaluate a CM/GC strategy for the project and would like to review the specifics of the CM/GC strategy with council.

The research completed by staff suggests that the Justice Center project may benefit from the use of the alternative contracting method referred to as Construction Manager/ General Contractor (CM/GC). Staff initially presented the CM/GC strategy to council at a work session on April 18, 2005, and would like this opportunity to respond to any questions council may have regarding

this strategy. Oregon Revised Statutes (ORS) allow for alternative methods of contracting when the project presents unique construction requirements and when there are budget limitations, time constraints and a complex project scope.

The Justice Center project meets all of these requirements: 1) the construction budget is limited – resulting in the need to move forward with construction as quickly as possible; 2) the building has unique security requirements specific to a criminal justice building; 3) the project may involve phasing and or partially-used spaces, for example, the Police Department offices, during construction; and 4) the issues regarding funding for jail operations may change the nature of the project at some point in the project timeline. These are all design-related complex issues that lend themselves to having the construction manager involved in the design process with the Project Architect.

In order for the city to proceed with the CM/GC method, the council must hold a Public Hearing and request an exemption to the city's existing public contracting rules. Staff has scheduled the Public Hearing for November 7, 2005. Findings specific to the exemption request will be presented to the council on November 7, at the work session prior to the Public Hearing.

Staff is planning to advertise for a CM/GC firm beginning October 24, with proposals due November 14. Interviews with firms are tentatively scheduled for November 22. Staff is recommending that the committee for selecting the CM/GC firm be comprised of the Assistant City Manager, the Assistant Public Works Director, the Community Services Manager, a Police Captain and/ or Police Chief, the Planning Supervisor, the Project Architect, the Project Manager, the Assistant Project Manager, and one or two City Council representatives as ex-officio members.

The attached materials provide some information and some typical questions and answers regarding the CM/GC method, and the proposed schedule for retaining a firm to serve as CM/GC for the Justice Center project.

Ms. Knapel described the process for choosing a CM/GC. Staff had continued to do some research on this project to determine how this method would work with this project. They still believed this was the best method to use. She noted the city was on a tight budget and she reviewed the requirements needed to allow use of the CM/GC method. Ms. Knapel said they had brought this matter up to the Justice Center Citizen Advisory Committee and there was concern by CAC member Eldon Shields regarding using this type of process.

Ms. Knapel said Mr. Shields' concerns were that the design team had the responsibility to do cost estimating and maintaining the cost of the project. Ms. Knapel spoke with Mr. Shields regarding his concerns and suggested they get together next week to discuss this further prior to the scheduled public hearing. She said he may speak during the public hearing to express his concerns or to note that he no longer had concerns. She referred to Attachment A, page 1, Potential Construction Methodologies and said it may be that Mr. Shields felt the city was looking at option 2 rather than option 3.

Councilor Fitch said she had seen other public entities use this process. She discussed some of the reasons why she would support the CM/GC. She said the council had promised the citizens that the jail would not be built until funds were located to operate a jail. The rest of the facility

would be built and she would like to have the ability to phase in the jail and hold down the cost. She discussed a possible public safety measure on the May election ballot from Lane County.

Councilor Woodrow said he sat on the CAC and he agreed with Ms. Knapel's assessment of Mr. Shield's concerns that the city would lose control of the costs. He said even with CM/GC the city would still go out to bid.

Ms. Knapel said all of the work would be required to go to bid and the city would see the bids. The city would require the books remain open so the city could see all the subcontractor bids as they came in. She said the city would require proposals for the CM/GC as they did for the architect and would look for qualifications.

Councilor Woodrow said he would be supportive of the CM/GC.

Councilor Pishioneri supported the CM/GC process. He said the city would still have the ultimate control and there were checks and balances. The city would have the ability to answer citizen inquiries during the project because the books would be open. He said it would add a lot of integrity to the project. The only downside he could see was the potential that it could cost a little more for an extra step, but it would be worth it.

Ms. Knapel said cost was an issue. She said if council directed staff to go with the low bid process, there could be a request to hire a consultant to do the cost benefit analysis of the phased construction compared to doing the project all at once. She said this was a way to get some of those services from someone who would have ultimate responsibility to make sure the project was finished within the budget.

Councilor Ralston asked if the CM/GC was the same person. He said he thought sometimes they were different people.

Ms. Knapel said in the older models, the CM was often a different person than the GC. In this case, it would be one person.

Councilor Lundberg asked the architects what their experience was in working with a CM/GC model and for their feedback.

Mr. Robertson said they finished major projects for the Eugene 4J School District which including renovation and expansion of North and South Eugene High Schools. Both were done on the CM/GC process with the same CM/GC. The architects were hired first and were then part of the evaluation process and selection team for the CM/GC. It was a very good process. Both were very complicated projects, involving the ongoing operations of the school and renovations and those issues were worked out with the assistance of the CM/GC. The CM/GC helped look at alternative materials and guaranteed prices halfway through design development. In that process the contractor finished under budget and was able to finish one year early. He noted that was an exception, but it did work well. Working in a team with a cooperative arrangement, a lot can get accomplished.

Councilor Lundberg asked if the architect firm would be involved in choosing the CM/GC.

Ms. Knapel said that was staff's recommendation.

Councilor Ballew said she had no problem with the CM/GC. She said she felt council had not been as involved as they should be in this process and she would appreciate progress reports.

Mr. Kelly said he was not aware that council felt that way. He said they did not need to rush through this process if they felt they needed more information before proceeding.

Councilor Fitch suggested staff put memos in the Communication Packet with updates.

Councilor Lundberg concurred.

Councilor Woodrow said he received weekly updates regarding major projects in Springfield from Development Services Director Bill Grile.

Mr. Kelly said staff could include a copy of what Mr. Grile sent out to see if council wanted to continue receiving the updates. Monthly updates could also be given.

Councilor Ralston said his concern with the CM/GC was the cost. He referred to a project listed in Attachment A included in the agenda packet that went over budget.

Ms. Knapel said the changes in that project were initiated by the owner, not the contractor.

Councilor Pishioneri said the councilors that were part of the Justice Center CAC could do a better job informing other councilors.

Council consensus was to move forward with the CM/GC.

Mayor Leiken said this project was very specialized and even very good developers would not necessarily be qualified to take on a project such as this. He said it was pertinent for the architect and the CM/GC to work together. He discussed the importance of keeping the project within the budget. He said it was important to keep it a high quality project within our budget.

Ms. Knapel said she had a Work Session and a Public Hearing scheduled for November 7 on this item.

ADJOURNMENT

The meeting was adjourned at 6:44 pm.

Minutes Recorder – Amy Sowa

Sidney W. Leiken
Mayor

Attest:

Amy Sowa
City Recorder